

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of

Billed Party Preference  
for 0+ InterLATA Calls

CC Docket No. 92-77

**COMMENTS OF THE AMERITECH OPERATING COMPANIES  
CONCERNING THE USE OF PROPRIETARY CALLING CARDS ON 0+ CALLS**

The Ameritech Operating Companies<sup>1</sup> submit these comments in response to the issues raised by the Commission in its notice of proposed rulemaking in the above-captioned proceeding concerning the use of proprietary calling cards in connection with 0+ calls.<sup>2</sup>

In the NPRM, the Commission noted that some of AT&T's competitors have claimed that its issuance of proprietary calling cards in the "card issuer identification" ("CIID") format has given AT&T an unfair advantage in the market for 0+ traffic. These parties claim that operator service providers ("OSPs") other than AT&T are unable to validate calls placed on an 0+ basis using AT&T CIID cards because AT&T does not make available the data needed to validate those calls. This, complains AT&T's competitors, coupled with AT&T's efforts to educate its card holders to dial an access code to avoid other presubscribed OSPs, substantially reduces the amount of 0+ traffic that AT&T's competitors handle. They complain that aggregators and premises owners, therefore, have strong incentives to presubscribe their phones to AT&T.<sup>3</sup>

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<sup>1</sup> The Ameritech Operating Companies are: Illinois Bell Telephone Company, Indiana Bell Telephone, Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, and Wisconsin Bell, Inc.

<sup>2</sup> In the Matter of Billed Party Preference for 0+ InterLATA Calls, CC Docket No. 92-77, Notice of Proposed Rulemaking, FCC 92-169 (released May 8, 1992)("NPRM") at ¶¶ 36-43.

<sup>3</sup> Id. at ¶¶ 37-40.

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As a result, some of AT&T's competitors have requested the Commission to take steps in the interim period prior to the implementation of billed party preference ("BPP") to neutralize any advantage AT&T may have from its proprietary CIID-format card. The Commission has specifically sought comment on a proposal that would require any interexchange carrier ("IC") issuing a calling card that could be used with 0+ access to either share its billing and validation data with other carriers or not accept those cards on 0+ calls.<sup>4</sup>

The Companies suggest that the Commission take no action to restrict or condition carriers' use of proprietary cards based on their use with 0+ calls.<sup>5</sup> Moreover, as the Companies have said before, any such conditions would be inconsistent with the highly competitive nature of billing services of which calling card use is an integral part.<sup>6</sup> While the Companies and other parties take issue with some misleading and questionable practices associated with AT&T's representations to its customers in connection with the issuance of its CIID cards, the Companies opposed CompTel's previous request that AT&T be prohibited from issuing proprietary cards.<sup>7</sup>

Similarly in this case, the Companies state positively that it would not be in the public interest for the Commission to condition a carrier's use of a proprietary card for 0+ calls on whether the carrier makes that card available for use by its competitors. If the Commission were to adopt such a proposal, most ICs

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<sup>4</sup> *Id.* at ¶ 42.

<sup>5</sup> However, the Companies do not mean to suggest that the Commission tolerate deceptive or misleading practices by any IC or OSP.

<sup>6</sup> See Reply Comments of the Ameritech Operating Companies in CC Docket No. 91-115, filed March 11, 1992.

<sup>7</sup> *Id.*

would choose to maintain the proprietary nature of their cards by increasing their efforts to have their customers dial access codes. This, however, would simply result in less convenience for callers who would have to dial extra digits for virtually all their calls and is, thus, inconsistent with the Commission's tentative finding that BPP is in the public interest. For most people comfortable with dialing 0+ calls, this could be viewed as a serious degradation in service.

The Commission has further requested information as to how ICs would distinguish and screen proprietary and non-proprietary card calls if it were to adopt the proposal. From the Companies' point of view, it does not appear that ICs would have any capability to screen those calls. The Companies' current switch technology was designed for efficient handling of large volumes of calls. When the switch sees an 0+ call and determines from the dialed digits that the call is an interLATA call, it hands that call off to the presubscribed IC without waiting for any indication of how that call is to be billed. The call is transferred to the IC using a "common block." That common block equipment does not pass to the IC any information that would identify the call as either an 0+ or a 10XXX dialed call. Thus, it would be impossible for ICs to reject 0+ calls billed to proprietary cards since they cannot specifically identify 0+ calls.

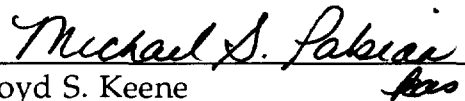
The Commission should, therefore, refuse to condition carriers' use of proprietary cards on their providing billing and validation information to their competitors.<sup>8</sup> As the Commission notes, the deployment of billed party preference at public phones will eliminate any advantage AT&T derives from its CIID cards since it will replace presubscription as the routing mechanism for 0+

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<sup>8</sup> If the Commission nonetheless adopts the proposal, it should not limit its application to "LIDB-compatible" format cards -- i.e., line number, CIID, and "891" format cards. Otherwise carriers would be encouraged to issue cards in non-standard formats which would make the implementation of BPP more difficult.

traffic.<sup>9</sup> The implementation of BPP will focus competition in operator services towards end users instead of premises owners and enhance customer convenience by ensuring that calls get routed to the carrier preferred by the party paying for the call without the dialing of access codes. The Commission should take no action that would create incentives for ICs to spend substantial sums to change their customers from 0+ to access code dialing. Instead, the Commission should proceed expeditiously with the BPP portion of this docket.

Respectfully submitted,

  
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<sup>9</sup> NPRM at ¶ 41.